

(b) Undersize or cull olives that are transferred from one handler to another and for which the transferring handler desires credit toward satisfaction of his obligation under §932.51(a)(2) need only be accompanied by two copies of Form COC-5, report of limited and undersize and cull olives inspection and disposition: *Provided*, That such transfers are carried out under the supervision of the Inspection Service.

(c) No handler may ship any lot or subplot of natural condition olives to a destination outside the area, except fresh market outlets, unless such olives have first been size-graded and meet the disposition and holding requirements applicable under paragraphs (a) (2) and (4) of §932.51. The size of such transferred olives shall be verified, prior to transfer, by certification issued to the transferring handler by the appropriate inspection service (Federal or Federal-State Inspection Service or the Processed Products Branch, USDA).

[31 FR 12636, Sept. 27, 1966, as amended at 36 FR 24795, Dec. 23, 1971; 49 FR 34440, Aug. 31, 1984; 49 FR 44448, Nov. 7, 1984]

#### § 932.155 Special purpose shipments.

(a) The disposition of packaged olives covered by §932.152(d) which are not reprocessed in accordance therewith shall be in conformity with the applicable provisions of this section.

(1) Under supervision of the Inspection Service, such packaged olives may be disposed of for use in the production of olive oil or dumped.

(2) Such packaged olives may be disposed of to a charitable organization for use by such organization; and any handler who wishes to so dispose of olives shall first file a written application with, and obtain written approval thereof from, the committee. Each such application shall contain at least: (i) The name and address of the handler and the charitable organization; (ii) the physical location of the charitable organization's facilities; (iii) the quantity in cases, the variety, size, can size, and can code of the packaged olives; and (iv) a certification from the charitable organization that such olives will be used by the organization and will not be sold.

(b) Prior to approval of any such application, the committee shall make such investigation as it deems necessary to verify the information therein. The committee may deny any application if it finds that the required information is incomplete or incorrect, or has reason to believe that the intended receiver is not a charitable organization, or that the handler or the organization has disposed of packaged olives contrary to a previously approved application. The committee shall notify the applicant and the organization in writing of its approval, or denial, of the application. Any such approval shall continue in effect so long as the packaged olives covered thereby are disposed of consistent therewith. The committee shall notify the handler and the organization of each such termination of approval. The handler shall furnish the committee upon demand such evidence of disposition of the packaged olives covered by an approved application as may be satisfactory to the committee.

(c) In accordance with the provisions of §932.55(b), any handler may use processed olives in the production of packaged olives for repackaging, and ship packaged olives for repackaging, if the packaged olives meet the minimum quality requirements, except for the requirement that the packaged olives possess a reasonably good flavor: *Provided*, That the failure to possess a reasonably good flavor is due only to excessive sodium chloride.

[33 FR 15632, Oct. 23, 1968, as amended at 39 FR 38221, Oct. 30, 1974; 62 FR 1244, Jan. 9, 1997]

#### § 932.159 Reallocation of handler membership.

Pursuant to §932.25, handler representation on the committee is reallocated to provide that the two handlers who handled the largest and second largest total volume of olives during the crop year in which nominations are made and in the preceding crop year shall be represented by three members and alternate members each, and the remaining handler shall be represented by two members and alternate members.

[64 FR 4288, Jan. 28, 1999]